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## PERFORMANCE MANAGEMENT WORKGROUP

**1. PURPOSE:** This Veterans Health Administration (VHA) Memorandum establishes the Performance Management Workgroup (PMWG) whose purpose is to develop a measurement system that reflects VHA priorities, evaluates VHA performance and meets the domains of health care value.

**2. BACKGROUND:** “Measure” is an indicator that has specific targets for performance and is included in the annual performance plan of the Network. Other indicators provide information that:

- a. Address performance of key areas (may also be referred to as a monitor), or
- b. Enhance knowledge about a patient population or employee function.
- c. Complete a pilot assessment and baseline performance.

**3. POLICY:** The PMWG is a standing VHA committee with the primary responsibility to develop, refine, and recommend through the Office of Quality and Performance to the Office of the Under Secretary for Health, the official VHA performance measures and other indicators that are included in the performance plans for key VHA executives.

## 4. ACTION

### a. Responsibilities

(1) Members of the Committee are responsible for attending meetings on a regular basis, participating fully, and acting as liaison for other Networks, Program Offices and facilities.

(2) Field executives and VHA Headquarters Program Chief Officers and Chief Consultants are responsible for providing timely input into the committee’s deliberations and participating actively in the development of the measures and/or indicators.

### b. Membership. Membership of the PMWG will consist of the following:

(1) **Co-Chairpersons.** Co-Chairpersons are the:

- (a) Chief Quality and Performance Officer, and
- (b) Network Director.

(2) **Members.** Membership consists of:

- (a) The VHA Chief Policy and Planning Officer;

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- (b) A representative of the Office of Policy and Planning;
- (c) Three Network Directors;
- (d) Two Network Clinical Manager Officers;
- (e) One Network Quality Management Officer;
- (f) Two medical center Directors;
- (g) A medical center Chief of Staff;
- (h) A Special Emphasis population representative;
- (i) A representative of the Chief Network Office;
- (j) The Director of the Management Support Office;
- (k) VHA Chief Research Officer;
- (l) VHA Chief Patient Care Services Officer;
- (m) A representative of the Veterans Integrated Service Network (VISN) Support Service Center (VSSC);
- (n) A representative of the Office of Quality and Performance.

**c. Procedures**

(1) During the first quarter of each fiscal year, the PMWG will send an inquiry to the Office of the Under Secretary of Health and the Office of the Chief Network Officer regarding their focus for measures and/or indicators that need to be considered for inclusion in the performance plan for the upcoming fiscal year. In addition, the Office of Planning and Policy will present the VHA goals for the upcoming year to the PMWG, so that the performance plan can reflect the strategic direction.

(2) Program Offices and Network Directors may suggest measures and/or indicators for consideration. Other Network and/or medical center employees may submit suggestions through their respective Network. Each suggestion must include written documentation describing how the recommendation meets the criteria outlined in Attachment A, Performance Measure and/or Indicator Template.

(3) The PMWG may request VHA Headquarters Program Offices to develop a measure and/or indicator that is deemed necessary to respond to the organization's needs. The Office of Quality and Performance is available on a consultant basis to all entities to assist in the completion of the template. As part of that template, VHA Headquarters Program Offices,

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Network employees, and/or medical center employees will identify available and potential data sources, validity of those sources and preliminary baseline results.

(4) VHA Headquarters Program Offices are to take action, as appropriate, that supports the field in meeting the measures or indicators.

(5) The PMWG will provide ongoing and open dialogue with all sections of the organization that may be affected by the proposed measures and/or indicators, and will provide a forum for presentation to and feedback from the committee.

(6) The PMWG in conjunction with the Office of Quality and Performance and Office of Planning and Policy will review all proposed Network performance plan measures and indicators to determine the degree to which they meet the following criteria for inclusion:

- (a) Measurable. Measure and/or indicator is clearly defined and valid data can be collected.
- (b) Feasible. Data can be collected without creating undue reporting or record keeping burdens; capturing data electronically is preferred.
- (c) Accountable. Employee has some degree of control of the actions that affect the process and/or outcome.
- (d) Achievable. Target or goal is reasonable.
- (e) Relevant. Measure and/or indicator can show linkage to and helps to drive the overall VHA strategic direction as outlined in the VHA Performance Plan that accompanies the annual budget submission to Congress.
- (f) Evidence-based. Wherever possible, the measure and/or indicator is based on scientific standards of investigation.
- (g) Minimal negative effects. Measure and/or indicator is reviewed to determine potential for any unintended consequences.
- (h) Available. There is a designated, responsible party and/or program that is committed to providing and/or reporting the data on a cycle that meets the established reporting requirements.

(7) A draft Network Performance Plan for the following fiscal year, which includes reasons for including or rejecting measures and/or indicators, will be presented by the co-chairs of the PMWG to the Office of the Under Secretary for Health by July 1<sup>st</sup> and to all Network Directors and VHA Headquarters Chief Officers at their monthly meeting in July. Final approval of the plan for the FY commencing October 1<sup>st</sup> will be completed so that distribution of the plan can be made before September 30<sup>th</sup> of the prior fiscal year. Each plan will be accompanied by a listing of relevant indicators and a Data Definitions document for the measures within 1 month of distribution of the final plan.

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***NOTE:** To the degree possible, all measures will be pilot-tested prior to inclusion in the official Plan.*

d. **Documentation.** Minutes and/or other discussions of the committee's deliberations will be maintained in writing.

**5. RESPONSIBILITY:** The Office of Quality and Performance (10Q) is responsible for the contents of this Memorandum.

**6. RESCISSION:** None.

**7. RE-CERTIFICATION:** This VHA Memorandum is scheduled for re-certification on or before the last working day of March 2005.

S/ Melinda Murphy for  
Thomas L. Garthwaite, M.D.  
Deputy Under Secretary for Health

Attachment

Distribution: CO and VISN: E-mailed 3/15/2000

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**ATTACHMENT A  
PERFORMANCE MEASURE AND/OR INDICATOR TEMPLATE**

Submitted by: (Program Office, Network, Facility): _____	
Contact Person: Name: _____	Title: _____
Phone #: _____ FAX #: _____	

<b>Description</b>	Statement of measure/indicator:
<b>Relevance</b>	Linkage to major Agency priority: (VHA Quality Framework and/or Strategic Goals in VHA Performance Plan)
	Domain of Performance (Cost, Access, Quality, Satisfaction, Functional Status)
	Patient Cohorts measured: (e.g., high volume, high risk, problem prone, special emphasis population)
	Literature reference(s) and level of evidence to support measure/indicator
	Rationale for inclusion as a national measure/indicator

<b>Measurement</b>	Denominator statement (as applicable; include relevant ICD-9-CM codes)
	Numerator Statement (as applicable; include relevant ICD-9-CM codes)
	Definition of Terms
	Data collection source(s)*
	Data collection method and frequency
	Data responsibility (who is responsible party(s) or program(s) for data collection and/or reporting)
	Risk adjustments or exclusions, as applicable

\*Please add an example of data extraction and findings, if possible

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<b>Coordination</b>	Identify all staff levels that will be affected (Network, facility, management, frontline, and type of staff, e.g., primary care providers, financial staff, Nursing, etc.)
	Potential impact of measure/indicator on the identified staff
<b>Benchmarks</b>	VHA baseline (include source and year)
	Non-VHA data (include source and year)
<b>Attainability</b>	Identify initial Fully Successful target (include rationale)
	Identify initial Exceptional target (include rationale)
	Future Projection (include potential improvement trend of target over five-year period)
<b>Administrative Issues</b>	Require Union negotiations?
	Financial impact of data collection
<b>Resources</b>	Implementation tool? (include any programs/software/methods, etc., that would assist in the successful implementation of the processes required by this measure)